Southeast Missouri State University

Department of Accounting

Course Title: Cost Accounting and Analysis

Course No.: AC331
Revision: Spring 2012

I. Catalog Description and Credit Hours of Course:
General principles of cost management systems; job order, process, and standard costing; budgeting; responsibility accounting; and performance evaluation. (3)

II. Prerequisite(s):
AC222 with a minimum grade of ‘C’

III. Purposes or Objectives:
A. Donald L. Harrison College of Business Assurance of Learning Goals For the Bachelor of Science in Business Administration degree program:
   1. Proficiency in written and oral communication (BSBA1).
   2. Demonstrated effective use of technology (BSBA2).
   3. Demonstrated awareness and understanding of other cultures (BSBA3).
   4. Demonstrated knowledge of the fundamentals of business disciplines (BSBA4).
   5. Demonstrated critical thinking skills involving business and ethics (BSBA5).

B. University Studies objectives:
   1. Demonstrate the ability to locate and gather information (US1).
   2. Demonstrate capabilities for critical thinking, reasoning, and analyzing (US2).
   3. Demonstrate effective communication skills (US3).
   4. Demonstrate an understanding of human experiences and the ability to relate them to the present (US4).
   5. Demonstrate an understanding of various cultures and their interrelationships (US5).
   6. Demonstrate the ability to integrate the breadth and diversity of knowledge and experience (US6).
   7. Demonstrate the ability to make informed, intelligent value decisions (US7).
   8. Demonstrate the ability to make informed, sensitive aesthetic responses (US8).
   9. Demonstrate the ability to function responsibly in one’s nature, social, and political environments (US9).

C. Course:
Upon completion of this course a student should be able to:
   2. Explain the importance of ethics for accountants (BSBA1, BSBA5, US1, US3, US7).
   3. Explain the importance of different costs for different purposes (BSBA1, BSBA4, US2, US3).
   4. Explain similarities and differences in costing systems and their appropriateness for different products, services, or processes (BSBA1, BSBA4, US2, US3).
   5. Explain various cost behaviors and the impact on decision making (BSBA1, BSBA2, BSBA4, US2, US3).
6. Prepare various budgets, including static and flexible budgets, and calculate and analyze variances (BSBA1, BSBA2, BSBA4, US2, US3).

IV. Student Learning Outcomes:

Upon completion of this course students should be able to:
A. Account for transactions in more advanced job order and process costing system;
B. Use knowledge of cost behavior to analyze business decisions;
C. Calculate and interpret cost variances in a standard cost system;
D. Prepare and analyze static and flexible budgets;
E. Solve “activity-based” costing problems.

V. Expectation of Students:
A. Demonstrate an understanding of cost management systems.
B. Demonstrate an understanding of cost behaviors and their impact on decision making.
C. Demonstrate the ability to prepare masters and flexible budgets.
D. Demonstrate an understanding of variances, potential causes, and performance evaluation.
E. Demonstrate an understanding of current factors impacting on cost management.
F. Devote at least two hours of study time spent for each hour spent in class.

VI. Course Content or Outline:
A. Current Issues Affecting Cost Management 6 hrs
B. Basic Cost Management Terminology & Concepts 3 hrs
C. Cost Behaviors and Cost-Volume-Profit Analysis, Including Regression Analysis 3 hrs
D. Product Costing: Job Order 3 hrs
E. Product Costing: Process Costing 3 hrs
F. Product Costing: Standard Costing, Including Variance Analysis 6 hrs
G. Allocation of Costs: Support, Joint, and By-Product 3 hrs
H. Budgeting, Including Master Budget and Flexible Budgets 3 hrs
I. Decentralization: Responsibility Accounting, Performance Evaluation 3 hrs
J. Activity-Based Costing and Activity-Based Cost Management Systems 6 hrs
K. Ethical Considerations 3 hrs
L. Exams 3 hrs

Total 45 hrs

VII. Textbook(s) and/or Other Required Materials or Equipment:
B. Access to computer, the Internet, and Microsoft Office.

VIII. Basis for Student Evaluation:
The evaluation of students will be based on:
A. Performance on all projects
B. Performance on examination(s)
C. Performance level on assignments